

House File 3

HOUSE FILE _____
BY WISE and COHOON

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to pilot project city designations in certain
2 counties for a targeted jobs withholding tax credit to be used
3 for funding improvements in certain urban renewal areas and
4 including effective and retroactive applicability date
5 provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
7 TLSB 1345YH 82
8 tm/je/5

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1 1 Section 1. Section 403.19A, subsection 2, paragraph a,
1 2 Code 2007, is amended by adding the following new
1 3 subparagraph:
1 4 NEW SUBPARAGRAPH. (4) A county that has a population of
1 5 forty-five thousand or less and that borders a state other
1 6 than Nebraska or South Dakota.
1 7 Sec. 2. Section 403.19A, subsection 2, paragraph b,
1 8 unnumbered paragraph 1, Code 2007, is amended to read as
1 9 follows:
1 10 The department of economic development shall approve ~~four~~
1 11 ~~the following~~ eligible cities as pilot project cities: one
1 12 pursuant to paragraph "a", subparagraph (1); one pursuant to
1 13 paragraph "a", subparagraph (2); ~~and~~ two pursuant to
1 14 paragraph "a", subparagraph (3); ~~and two cities from the same~~
1 15 ~~county pursuant to paragraph "a", subparagraph (4).~~ If more
1 16 than two cities meeting the requirements of paragraph "a",
1 17 subparagraph (3), apply to be designated as a pilot project
1 18 city, ~~the department of management, in consultation with the~~
1 19 ~~department of economic development,~~ shall determine which two
1 20 cities hold the most potential to create new jobs or generate
1 21 the greatest capital within their areas. Applications from
1 22 eligible cities filed on or after October 1, 2006, shall not
1 23 be considered.
1 24 Sec. 3. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.
1 25 This Act, being deemed of immediate importance, takes effect
1 26 upon enactment and is retroactively applicable to July 1,
1 27 2006, and is applicable to pilot project city applications
1 28 received prior to October 1, 2006.

EXPLANATION

1 30 This bill relates to pilot project city designations in
1 31 certain counties for a targeted jobs withholding tax credit to
1 32 be used for funding improvements in certain urban renewal.
1 33 In 2006, House File 2731 was enacted (2006 Iowa Acts,
1 34 chapter 1141) to allow four pilot project cities to be
1 35 approved to assist in funding projects in their urban renewal
2 1 areas by means of a targeted jobs credit from withholding.
2 2 Currently, four pilot project cities can be approved, one
2 3 from a county that borders Nebraska, one from a county that
2 4 borders South Dakota, and two from a county of any size that
2 5 borders a state other than Nebraska or South Dakota. A city
2 6 must contain three or more census tracts.
2 7 The bill provides that two additional pilot project cities
2 8 may be approved if they are located in the same county. The
2 9 county must border a state other than Nebraska or South Dakota
2 10 and must have a population of forty-five thousand or less.
2 11 The bill provides that if more than two cities located in a
2 12 county that borders a state other than Nebraska or South
2 13 Dakota apply to be designated as a pilot project city, the
2 14 department of economic development shall determine which two
2 15 cities hold the most potential to create new jobs or generate
2 16 the greatest capital within their areas. Currently, the
2 17 department of management, in consultation with the department

2 18 of economic development, makes the determination.
2 19 The bill takes effect upon enactment and is retroactively
2 20 applicable to July 1, 2006, and applies to pilot project city
2 21 applications received prior to October 1, 2006.
2 22 LSB 1345YH 82
2 23 tm:nh/je/5